



BURR RIDGE SUBDIVISION ORDINANCE

SECTION VI SUBDIVISION COMPLETION AGREEMENT AND LETTER OF CREDIT

A. Subdivision Completion Agreement

The owner or subdivider shall submit to the Village Clerk, together with the application for approval of the final plat, an agreement, fully completed and executed by all necessary parties except the Village, a Subdivision Completion Agreement. This Agreement shall be in substantially the same form as Appendix VI of this Ordinance or in such other form as may be approved from time to time by the Village.

B. Irrevocable Letter of Credit

After approval of the final plat in all other respects and notification of the Owner or subdivider thereof, and as a condition to final approval of said plat, the Owner or subdivider shall post an irrevocable letter of credit with the Community Development Director. Such irrevocable letter of credit shall comply with the following:

1. The dollar value of the letter of credit shall be equal to 125% of the Village Engineer's estimated cost of the subdivision improvements.
2. The letter of credit shall be issued by a banking/lending institution, subject to the approval of such institution as the issuer y the Village Board of Trustees.
3. The letter of credit shall serve as security for the Village to ensure the full cost of the construction, proper completion of the subdivision improvements, maintenance of the site during construction, and maintenance of erosion control until such time as vegetative cover has been established, in compliance with the requirements of this Ordinance, including those specific provisions related to the installation and completion of the subdivision improvements, and with the plans and specifications approved by the Village Engineer. (Amended by Ordinance A-894-3-08)
4. The letter of credit shall secure the payment of the cost of maintaining and repairing the subdivision improvements provided for in the plans and specifications approved by the Village Engineer for a minimum period of two (2) years from the date of acceptance of said improvements by the Village. Upon acceptance of said improvements by the Village, the security may be reduced to 10% of its original amount to secure the payment of said maintenance and repair costs.
5. The letter of credit shall secure the payment of any other customary expenses of the Owner or subdivider in meeting any requirements of the Village pertaining to the subdivision.



6. The letter of credit shall secure the payment of any expenses, including but not limited to, reasonable attorneys' fees incurred by the Village in enforcing the irrevocable letter of credit.
7. The form of the irrevocable letter of credit shall be substantially the same as Appendix VII of this Ordinance or in such other form as the Village may approve from time to time.
8. The final plat shall be approved and executed by the appropriate Village officials upon posting of the security, completed and fully executed in the required form, provided that all other requirements of the Village and other applicable law pertaining to subdivisions have been satisfied.
9. In the event of any failure by the owner or subdivider to properly complete the subdivision improvements required hereunder, within the approved construction schedule or two-year subdivision improvement period, whichever is earlier, or failure to properly maintain those improvements thereafter, or failure to timely and properly prosecute the work related thereto within the subdivision improvement or maintenance schedules or periods, or failure to maintain on-site and off-site construction areas in a clean and workmanlike fashion, or failure to maintain erosion control, in compliance with this Ordinance, the letter of credit can be drawn on by the Village, in whole or in part, to ensure payment of any costs incurred by the Village to complete, or cause to be completed, any or all remaining unfinished, improper or incomplete subdivision improvements. (Added by Ordinance A-894-03-08)
10. In the event that the Village draws on the letter of credit under this Ordinance, the Village shall have the discretion at all times to determine whether to restore the subdivision property to a natural state, to clean or clear the property, or to restore, repair, or re-establish erosion control, or to dedicate the funds from the letter of credit to the completion of some or all of the subdivision improvements. (Added by Ordinance A-894-03-08)
11. As a condition subsequent to the Village's approval of the final plat of subdivision, in the event the Village draws on the letter of credit to cause the completion of any subdivision improvement, or work related thereto, prior to the expiration of the two-year subdivision improvement period, the Owner or Subdivider shall promptly restore the letter of credit to its amount prior to the draw on the letter of credit by the Village for such improvement or work related thereto. Any failure to restore the letter of credit amount shall entitle the Village to order any portion of or all work to be stopped and to deny any permits related to the subdivision development. (Added by Ordinance A-894-03-08)

C. Subdivider's Obligation for Construction and Maintenance

1. Nothing in this ordinance, nor in the letter of credit or agreements herein provided for, shall relieve the Owner or subdivider of bearing the full cost of the subdivision



- improvements and other expenses required by Village to be paid by the Owner or subdivider.
2. The Owner's or subdivider's obligations for maintenance of improvements required under this agreement shall remain the developer's obligation for a minimum of two (2) years after the acceptance of such subdivision improvements by the Board of Trustees. The Village's requirements for retention of the letter of credit shall be met by the developer during that minimum two (2) year period despite any terms pertaining to maintenance of such improvements which are included in any other agreement.
 3. The developer's obligation to maintain and repair the improvements includes both public and private land improvements that are constructed, installed, modified or purchased by the developer.
 4. The developer's obligation to maintain and repair the subdivision improvements shall render the developer responsible for repair, replacement and the continued proper condition, operation, functioning and efficiency of all subdivision improvements, irrespective of the basis or cause of the need for maintenance or repair.
 5. Subdivision improvements required to be maintained under the terms of this Ordinance shall include, but not be limited to, streets, water management, stormwater and sewer lines, bridges, walks, paths, street lights, lakes, trees, entryway and water features, drainage ways, erosion and sedimentation control and retention/detention facilities.

D. Reduction of Letter of Credit Upon Substantial Completion of Improvements

The Community Development Director upon recommendation of the Village Engineer may, in their discretion, reduce the amount of the letter of credit to an amount less than 125% of the estimated cost of the subdivision improvements required by Section XI, hereof, upon substantial completion of the subdivision improvements. Substantial completion shall mean completion of all streets except the final course of asphalt, completion of all utilities, and completion of stormwater management facilities. In no circumstances shall the amount of the letter of credit be reduced below 125% of the approved estimate of cost for all outstanding subdivision improvements or below the required amount for the maintenance period. A completed Letter of Credit Payout Form attached hereto as Exhibit VII-B shall accompany any such request for reduction.

E. Failure to Provide Proper Letter of Credit

In the event a subdivision plat is mistakenly or wrongfully executed and/or recorded by the Village before all conditions are satisfied with respect to the letter of credit as provided hereunder, then no building, sewer, water, occupancy or other permits shall be issued until all such conditions are satisfied. (Amended by A-41-3-91) (Amended by A-41-3-98)